

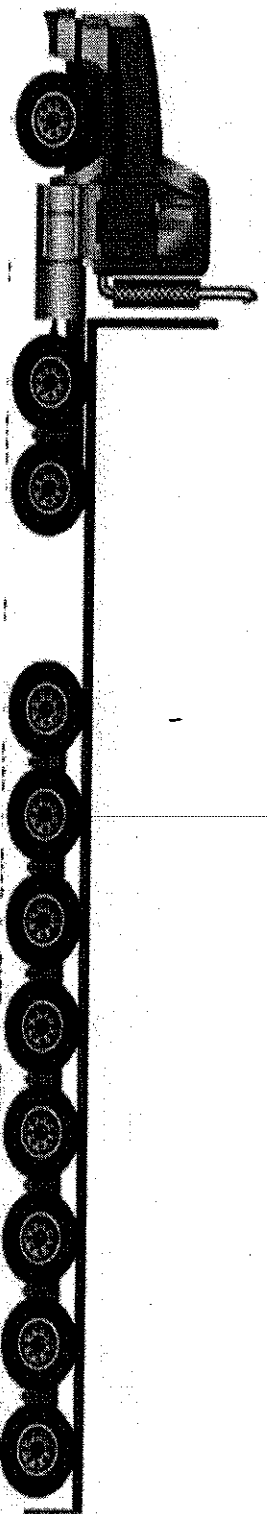
Fuel Tax & Registration Fee Increases - Negative Impacts on Independent Contractor

- My name is Brandon Sloan from Jackson, MI. Contact information: 517-764-5444 email: bsloan@gosloantrans.com.
- I am the owner/manager of BK Sloan & Company, LLC; A flatbed trucking company acting as an Independent Contractor for Universal Am-Can.
- I also manage the operations and sales for Sloan Agency, Inc. out of Jackson, MI. Sloan Agency is a 2nd generation flatbed trucking agency located in Jackson, MI representing hundreds of Independent Contractors in and around Michigan.
- Grew up in the trucking industry. 7 years of management experience.

Snap shot of fees / Costs per truck 2012 Figures

E.I. - **Truck #4921-101** – Local Driver Jackson to Detroit Metro. All miles in Michigan

- | | |
|--|--|
| • IRP Plate Fees = \$1800.00 | • Driver Pay: roughly \$0.75/mile per operating mile |
| • United Carrier Registration (UCR) Fee \$187.00 | • Insurances (Bob Tail / Phys. Damage / Workers Comp): \$3806.92 |
| • State Licensing Fees: \$300.00 Trailer | • Insurances (Cargo): |
| • Fed Heavy Highway Use Tax / 2290: \$550.00 | • Cost to fill up tanks (dual 150 gallon tanks) = \$1200.00 (\$0.80/operating mile @ 5MPG) |
| • All other employment / Income taxes | • Cost of virgin tire : \$500.00 average |
| • Excise tax on purchases | • Costs approx \$21,000.00 to replace all tires on an 11-axle tractor/trailer rig. |
| • Cost of Truck (New): \$150,000.00 | |
| • Cost of Trailer (New): \$95,000.00 | |



New Fuel Tax / Registration Increase Cost Comparison per truck (average):

Truck # 4921-101 - Current Rates

Registration: \$1500.00

Fuel Tax: (\$0.369 per mile) @ 110,200 Michigan Miles driven divided by 5 MPG = Tax of \$8,132.76

Truck \$4921-101 – Proposed Rates

Registration: \$1875.00

Fuel Tax: (\$0.549 per mile) @ 110,200 Michigan Miles driven divided by 5 MPG = \$12,099.96

FUEL TAX INCREASE OF \$3,967.20

REGISTRATION INCREASE OF \$375.00

TOTAL: \$4,342.20

FLEET OF 10: \$43,422.00

Options as Owner / Operator

1. Pass along costs to Shipper / Manufacturer – Not Guaranteed and not healthy for our already unstable state economy
2. Take away from drivers / employee wages
3. Be forced to buy fuel outside of state (Toledo, etc).
4. Put a for sale sign in the windows of the trucks and close our business for good.

**ALL SCENARIOS RESULT IN LESS OVERALL REVENUE
FOR STATE**